

Message Text

SECRET

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66
ORIGIN EB-11

INFO OCT-01 ARA-16 ISO-00 AID-20 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 OMB-01 (ISO) R

DRAFTED BY EB/IFD/ODF:MCASSE/RSGELBARD:CU

APPROVED BY EB/IFD:SWEINTRAUB

ARA/BC:JKARKASHIAN

TREAS:RLARSEN

----- 017759

R 032045Z DEC 73

FM SECSTATE WASHDC

TO AMEMBASSY SANTIAGO

S E C R E T STATE 236398

E.O. 11652:GDS

TAGS: EFIN, CI

SUBJECT: 1972 DEBT RESCHEDULING

REF: (A) SANTIAGO 5660; (B) SANTIAGO 5779

1. DETAILED BREAKDOWN BY AGENCY, CATEGORY OF DEBT AND DEBT SERVICE COVERED BY 1972 RESCHEDULING HAS BEEN POUCHED. OF A TOTAL DOLS. 114 MILLION DUE BETWEEN NOVEMBER 1, 1971 AND DECEMBER 31, 1972, DOLS. 60.8 MILLION WOULD BE RESCHEDULED UNDER THE TERMS OF PARIS CLUB AGREEMENT, LEAVING THE RESIDUAL (I.E., EXCLUDED ITEMS PLUS 30 PERCENT NO RESCHEDULED) PLUS INTEREST TO BE PAID AT SIGNING, OR NEGOTIATED. EXIMBANK IS OWED MAJOR PART OF DEBT SERVICE, DOLS. 93.6 MILLION, WITH DOLS 53.6 MILLION TO BE RESCHEDULED UNDER PARIS CLUB AGREEMENT.

2. AT THIS TIME, USG IS UNABLE TO ESTIMATE THE CASH PAYMENT WHICH WILL BE REQUIRED OF THE GOC UPON SIGNING 1972 BILATERAL AGREEMENT, EXCEPT TO STATE THAT OUR POSITION WILL BE REASONABLE. THE CASH PAYMENT IS ONLY A PART OF THE OVERALL

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NEGOTIATIONS AND WILL BE INFLUENCED BY CHILE'S ABILITY TO

PAY, PROGRESS ON THE COMPENSATION ISSUE, AND OTHER FACTORS.
PLEASE INFORM CARLOS SANSON WE WILL MEET WITH HIM ON THIS
SUBJECT SHORTLY AFTER HIS RETURN TO WASHINGTON.

3. THE GOC IS, OF COURSE, ALREADY AWARE THAT THE COPPER
COMPENSATION TALKS WILL AFFECT THE TIMING OF THE RESCHEDUL-
ING AGREEMENT BUT YOU MAY REMIND THE GOC OF THIS AGAIN.
TANGIBLE PROGRESS ON THE COMPENSATION ISSUE WILL BE NEEDED
BEFORE ANY BILATERAL RESCHEDULING AGREEMENT CAN BE
FINALIZED. KISSINGER

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NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
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Copy: SINGLE
Draft Date: 03 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
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Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
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